GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:2577
ANSWERED ON:18.12.2003
NATIONAL GAS GRID BY GAIL
JASWANT SINGH YADAV

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government are contemplating to make the Gas Authority of India Limited (GAIL) a nodal agency of the proposed national gas grid in order to streamline the distribution of gas in the country;

(b) if so, the details thereof

(c) the manner in which it will be beneficial for the consumers; and

(d) the percentage of participation of the Government and the Gas Authority of India Limited in it?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRIMATI SUMITRA MAHAJAN)

(a)&(b) Government have recently released draft policy for the development of gas pipeline network inviting comments from various stake holders. The draft policy inter-alia provides:

1. All the natural gas pipelines will be laid in accordance with the authorization granted by the regulator.

2. All trunk pipelines covering more than one State or operating at a pressure more than the notified level will be built/managed by a Company to be notified by the Government and till it is notified by GAIL.

3. Subject to prior permission of the regulator, any producer of gas will have the right to sell gas within 100 kms of well head or land fall point to consumers directly and lay the pipeline for this purpose.

4. All gas pipelines except captive transmission gas pipelines laid for exclusive use of a large consumer will be built on common carrier principle.

5. The pipelines will be used by all players on non-discriminatory basis.

6. Tariff for the transmission pipeline and/or for the distribution pipelines would be approved by the regulator.

(c) Systematic development of pipeline network will facilitate transportation of gas available from various sources to different regions in the country which will be utilized by the core sectors like Power, Fertilizer, Steel, Transport and other small consumers.

(d) Government do not contemplate any direct participation in the development of pipeline network.